



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



October 11, 2005

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AGREEMENT WITH APPLERA CORPORATION
FOR MAINTENANCE AND REPAIR SERVICES FOR
GENETIC ANALYZERS AND SEQUENCE DETECTION SYSTEMS
(ALL DISTRICTS) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached proposed agreement with Applera Corporation, through its Applied Biosystems Group, for maintenance and repair services for genetic analyzers and sequence detection systems for the Los Angeles County Sheriff's Department (Department) for a term of one (1) year with the option to extend for up to four (4) additional one (1) year periods, effective upon Board approval.
2. Authorize the Sheriff, or his designee, to exercise the above optional extension provisions, if it is in the best interest of the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to establish an agreement with Applera Corporation, through its Applied Biosystems Group, to provide maintenance and repair services for a list of genetic analyzers and sequence detection systems located at the Department's Scientific Services Bureau (SSB), 2020 West Beverly Boulevard, Los Angeles.

A Tradition of Service

Implementation of Strategic Plan Goals

The proposed agreement supports the County's Strategic Plan Goal Number 2, Workforce Excellence. Specifically, the agreement will enable the Department to ensure the reliable and accurate operation of these instruments in the analysis of DNA evidence.

FISCAL IMPACT/FINANCING

The cost of this maintenance and repair service is \$39,759 for the first year or a total of \$223,902 for the five (5) year period, including the optional years. The Department has identified funding in its annual operating budget and will continue to allocate funds for each subsequent year of the contract term.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Department's SSB provides forensic laboratory services for the Department and 45 municipal police agencies within Los Angeles County. SSB uses the genetic analyzers and sequence detection systems to analyze DNA evidence submitted by the Department's investigative units and numerous other law enforcement agencies in the County. The 310 Genetic Analyzer has a wide range of sequencing and fragment analysis applications. It is used in conjunction with an identifier kit which allows for the detection of 15 genetic markers and the sex identifying marker amelogenin. The DNA profiles obtained from the 310 Genetic Analyzer are used for identification of potential donors of forensic samples. The 7000 Sequence Detection System is a real-time instrument that quantifies the amount of DNA present in a sample. Currently, there are five (5) 310 Genetic Analyzers and two (2) 7000 Sequence Detection Systems in SSB. These 310 Genetic Analyzers and 7000 Sequence Detection Systems complete between 300-400 DNA sequencing and linking analysis cases annually involving violent assaults, sexual assaults, and homicides.

In order to ensure that the genetic analyzers and sequence detection systems continue to operate reliably and accurately, they must be repaired within a reasonable time frame when problems are detected and must be maintained regularly by the Applied Biosystems Group pursuant to the terms of the Agreement. The Applied Biosystems Group, who is the manufacturer of the equipment specified, has proprietary rights to the equipment and software utilized by SSB to complete DNA sequencing and linking functions.

The contract is in compliance with all Board, Chief Administrative Office, and County Counsel requirements. The Agreement has been approved as to form by County Counsel.

CONTRACTING PROCESS

The Applied Biosystems Group of Applied Biosystems Corporation has worked with the Federal Bureau of Investigation to set up procedures and reagents that have become the standards of forensic analysis. The Applied Biosystems 310 Genetic Analyzers have been commonly used by forensic laboratories throughout the country, and are the only instruments validated for use in DNA typing by SSB. The Applied Biosystems Group of Applied Biosystems Corporation, which has proprietary rights to the 310 Genetic Analyzers and 7000 Sequence Detection Systems as well as the software utilized by SSB to complete DNA sequencing and linking functions, is the only vendor that can provide the necessary maintenance and repair services. Because the maximum contract sum is less than \$250,000, this contract does not require prior notice to your Board pursuant to Board of Supervisors Policy Number 5.100.

IMPACT ON CURRENT SERVICES

There will be no negative impact on current Department operations and services. Approval of this agreement will enable the Department to ensure that the genetic analyzers and sequence detection systems continue to operate reliably and accurately throughout the term of the agreement.

CONCLUSION

Upon approval by your Board, please return three (3) adopted copies of this action to the Sheriff's Department's Contracts Unit, for further processing. The Department's contact for this requested Board action is Captain Chris C. Beattie, Scientific Services Bureau, (213) 989-5000.

Sincerely,

A handwritten signature in black ink, appearing to read "Leroy Baca", written in a cursive style.

LEROY D. BACA
SHERIFF

SERVICE MAINTENANCE AGREEMENT
FOR
LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
APPLERA CORPORATION, THROUGH ITS
APPLIED BIOSYSTEMS GROUP

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT AGREEMENT

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EXHIBITS

- EXHIBIT A – ADDITIONAL TERMS AND CONDITIONS
- EXHIBIT B – STATEMENT OF WORK
- EXHIBIT C – EQUIPMENT LIST AND PRICE SCHEDULE
- EXHIBIT D – CONTRACTOR'S EMPLOYEE ACKNOWLEDGMENT AND
CONFIDENTIALITY AGREEMENT
- EXHIBIT E – CONTRACTOR'S EEO CERTIFICATION

RECITALS

THIS AGREEMENT is entered into as of the Effective Date by and between the County of Los Angeles ("County") and Applera Corporation, through its Applied Biosystems Group, a corporation organized under the laws of the State of California, located at 850 Lincoln Center Drive, Foster City, California 94404 ("Contractor"), for the Los Angeles County Sheriff's Department (the "Department").

WHEREAS, the Department owns and utilizes Genetic Analyzers ("Equipment");

WHEREAS, the Equipment requires preventative maintenance and remedial repair services to ensure continuous operation; and

WHEREAS, the County does not have the knowledge and technical expertise necessary to provide preventative maintenance and remedial repairs for the Equipment; and

WHEREAS, Contractor represents that it possesses the necessary special skills, knowledge and technical competence and sufficient staffing to provide such equipment maintenance and repair services; and

WHEREAS, this Agreement (as defined below) is authorized pursuant to California Government Code Section 31000.

NOW THEREFORE, In consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

1.0 AGREEMENT AND INTERPRETATION

1.1 Agreement. This base document along with Exhibits A through E, any schedules attached hereto or thereto, and any Change Order or amendment from time to time hereto or thereto collectively constitute and throughout and hereinafter are referred to as the "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement. Any additional or inconsistent terms found in any other sale documents of the parties, including but not limited to quotes, purchase order, or invoices shall be without effect.

1.2 Interpretation. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any Task, Subtask, Deliverable, goods, service, or other Work, or otherwise, such conflict or inconsistency shall be resolved by

giving precedence first to this base document, and then to the Exhibits and any attachments thereto, according to the following priority:

- 1.2.1. Exhibit A - Additional Terms and Conditions
 - 1.2.2. Exhibit C - Equipment List and Price Schedule
 - 1.2.3. Exhibit B - Statement of Work
 - 1.2.4 Exhibit D - Contractor's Employee Acknowledgement and Confidentiality Agreement
 - 1.2.5 Exhibit E - Contractor's EEO Certification
- 1.3 Additional Terms and Conditions. Without limiting the generality of Subparagraph 1.1 (Agreement), attached hereto as Exhibit A (Additional Terms and Conditions), and incorporated by reference herein, are additional terms and conditions to this Agreement. Contractor acknowledges and agrees that it shall be bound by the additional terms and conditions enumerated in such Exhibit as if such terms and conditions were enumerated in the body of this base document.
- 1.4 Construction. The words "herein", "hereof", and "hereunder" and words of similar import used in this Agreement refer to this Agreement, including all annexes, attachments, Exhibits, and Schedules as the context may require. Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words "including", "for example", "e.g.", "such as", "etc.", or any derivation of such words, such examples are intended to be illustrative and not limiting. Captions and Paragraph headings used in the Agreement are for convenience only and are not a part of the Agreement and shall not be used in construing the Agreement.

2.0 DEFINITIONS

The following terms and phrases in quotation marks and with initial letters capitalized shall have the following specific meaning when used in this Agreement.

- 2.1 "Agreement" has the meaning set forth in Subparagraph 1.1 (Agreement).
- 2.2 "Board" means the Los Angeles County Board of Supervisors.
- 2.3 "Business Day" means Monday through Friday, excluding County, State, and Federal observed holidays.

- 2.4 "Change Order" has the meaning set forth in Paragraph 6.0 (Change Orders and Amendments).
- 2.5 "CIO" means County's Chief Information Officer.
- 2.6 "Contractor Representative" has the meaning set forth in Subparagraph 4.1 (Contractor Representative).
- 2.7 "County" has the meaning set forth in the Recitals.
- 2.8 "County Counsel" means County's Office of the County Counsel.
- 2.9 "County Indemnitees" has the meaning set forth in Subparagraph 13.1 (Indemnification) of Exhibit A (Additional Terms and Conditions).
- 2.10 "County Project Director" has the meaning set forth in Subparagraph 3.1 (County Project Director).
- 2.11 "County Project Manager" has the meaning set forth in Subparagraph 3.2 (County Project Manager).
- 2.12 "Department" has the meaning set forth in the Recitals.
- 2.13 "Dispute Resolution Procedure" has the meaning set forth in Paragraph 2.0 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions).
- 2.14 "Infringement Claims" has the meaning set forth in Paragraph 14.0 (Intellectual Property Indemnification) of Exhibit A (Additional Terms and Conditions).
- 2.15 "Initial Term" has the meaning set forth in Paragraph 7.0 (Term).
- 2.16 "Invoice Discrepancy Report" or "IDR" has the meaning set forth in Subparagraph 10.5 (Invoice Discrepancy Report).
- 2.17 "Jury Service Program" has the meaning set forth in Paragraph 33.0 (Compliance with Jury Service Program) of Exhibit A (Additional Terms and Conditions).
- 2.18 "Maximum Contract Sum" has the meaning set forth in Paragraph 8 (Prices and Fees).
- 2.19 "Notice of Delay" has the meaning set forth in Paragraph 55.0 (Notice of Delay) of Exhibit A (Additional Terms and Conditions).
- 2.20 "Option Term" has the meaning set forth in Paragraph 7.0 (Term).

- 2.21 "Sheriff" means the elected official who is the Sheriff of the County of Los Angeles.
- 2.22 "Statement of Work" or "SOW" means the Statement of Work, attached as Exhibit B (Statement of Work) to this Agreement, as the same may be amended by any approved Change Order or amendment.
- 2.23 "Subtask" means one or more sub-areas of work to be performed under this Agreement and identified as a numbered Subtask in the Statement of Work or any approved Change Order or amendment.
- 2.24 "Task" means one or more major areas of work to be performed under this Agreement and identified as a numbered Task in the Statement of Work or any approved Change Order or amendment.
- 2.25 "Tax" and "Taxes" means governmental fees (including license, filing and registration fees) and all taxes (including franchise, excise, stamp, value added, income, gross receipts, gross revenue, import, export, sales, use, transfer, and property taxes), withholdings, assessments, levies, imposts, duties, charges, or interest thereon imposed.
- 2.26 "Term" has the meaning set forth in Paragraph 7.0 (Term).
- 2.27 "Warranty" has the meaning set forth in Paragraph 11 (Warranty).
- 2.28 "Work" means any and all Tasks, Subtasks, Deliverables, goods, and other services performed by or on behalf of Contractor including the work required pursuant to this Agreement, the Statement of Work, and all the Exhibits, Change Orders, and amendments hereto.

3.0 ADMINISTRATION OF AGREEMENT – COUNTY

3.1 County Project Director.

- 3.1.1 The "County Project Director" for this Agreement shall be the following person:

Captain Chris Beattie
Scientific Services Bureau
Los Angeles County Sheriff's Department
2020 W. Beverly Boulevard
Los Angeles, CA 90057

- 3.1.2 County will notify Contractor of any change in the name or address of the County Project Director.

- 3.1.3 Except as set forth in Paragraph 6.0 (Change Orders and Amendments) of this Agreement, the County Project Director is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.
- 3.1.4 The County Project Director shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor.
- 3.2 County Project Manager.
 - 3.2.1 The "County Project Manager" for this Agreement shall be the following person:
 - 3.2.2 Unless otherwise specifically noted, whenever this Agreement calls for a notice, report, or other delivery to be made by Contractor (or any representative thereof) to the County Project Manager, such notice, report, or other delivery shall be made to the County Project Manager in accordance with the notice information set forth above or in accordance with such other notice information as County may notify Contractor from time to time pursuant to this Subparagraph 3.2.2.
 - 3.2.3 County shall notify Contractor of any change in the name or address of the County Project Manager.
 - 3.2.4 The County Project Manager shall be a resource for addressing the technical standards and requirements of this Agreement, shall interface regularly with Contractor and further shall have the duties from time to time give to such person by County.
 - 3.2.5 The County Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement nor obligate County in any respect whatsoever.
 - 3.2.6 The County Project Manager shall advise the County Project Director as to Contractor's performance in areas relating to technical requirements and standards, County policy, information requirements, and procedural requirements.
- 3.3 Consolidation of Duties. County reserves the right to consolidate the duties of the County Project Director, which duties are enumerated in Paragraph 3.1 (County Project Director), and the duties of the County Project Manager, which duties are enumerated in Paragraph 3.2 (County Project Manager), into one County position, and to assign all such duties to

one individual who will act as County's liaison in all matters relating to this Agreement. County will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this Subparagraph 3.3.

- 3.4 County Personnel. All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County.

4.0 ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1 Contractor Representative.

- 4.1.1 Contractor shall assign a Contractor Representative, who shall be a full-time employee of Contractor.
- 4.1.2 The Contractor Representative shall be responsible for Contractor's performance of all of the Work and ensuring Contractor's compliance with this Agreement.
- 4.1.3 From the Effective Date through the expiration of the Term, the Contractor Representative shall be available to meet and confer with the County Project Director at least monthly in person or by phone, to review project progress and discuss project coordination.
- 4.1.4 The Contractor Representative shall be responsible for Contractor's day-to-day activities as related to this Agreement and for reporting to County in the manner set forth in Subparagraph 4.3 (Reports by Contractor).

4.2 Approval of Contractor's Staff.

- 4.2.1 Contractor has the right to assign the Contractor Representative. However, County has the right to reasonably refuse to allow a person assigned by Contractor as Contractor Representative or request for a replacement.
- 4.3.3 4.2.2 Contractor shall ensure that its personnel assigned to provide services under this Agreement are trained and experienced to maintain and repair the equipment, and if appropriate, are licensed or certified in the technology, trades and tasks required by the Agreement.
- 4.2.3 All staff employed by and on behalf of Contractor who shall perform services for the County under this Agreement shall be

adults who are legally eligible to work under the laws of the United States of America and the State of California and shall be fully fluent in both spoken and written English.

4.3 Reports by Contractor.

At a minimum, in order to ensure the reporting of all Work provided by Contractor, the Contractor Representative shall provide the County Project Manager with Service Reports, each time services are performed on any of the equipment. Such Reports shall detail the equipment problem or preventative maintenance procedure, any corrective measures taken, or services required, and such other information as the County Project Director or the County Project Manager may from time to time reasonably request.

5.0 WORK; APPROVAL AND ACCEPTANCE

5.1 General

Contractor shall fully complete and timely deliver, pursuant to standards, requirements and schedules either presently incorporated in or to be developed hereunder, all tasks, goods, services and other Work specified in Exhibit B (Statement of Work) and elsewhere in this Agreement. Contractor acknowledges that, subject to this Paragraph 5.0 (Work; Approval and Acceptance), all Work performed under this Agreement, including pursuant to an executed Change Order or amendment, is payable in accordance with the terms and conditions of this Agreement, including this Paragraph 5.0 (Work; Approval and Acceptance), Paragraph 8.0 (Prices and Fees), and Paragraph 10.0 (Invoices and Payments).

5.2 Approval of Work

All Work shall be completed in a timely manner and in accordance with the requirements set forth in this Agreement, and must have the written approval of the County Project Manager. In no event shall County be liable or responsible for payment for a particular Task or Deliverable prior to the County Project Manager's written approval for such Task or Deliverable.

6.0. CHANGE ORDERS AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or

conditions of this Agreement, except through the procedures set forth in this Paragraph 6.0 (Change Orders and Amendments).

6.1 General

Subject to acceptance of Contractor, County reserves the right to change any portion of the Work required under this Agreement, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the following manner:

- 6.1.1 For any change which does not materially affect the scope of Work, period of performance, amount of payments, or any other term or condition included under this Agreement, a Change Order shall be executed by both the County Project Director, with the concurrence of County Counsel, and the Contractor Project Director. To the extent that extensions of time for Contractor performance do not impact either the scope of Work or cost of this Agreement, the County Project Director, in the County Project Director's discretion, may grant Contractor extensions of time in writing for the Work listed in the Statement of Work or otherwise in this Agreement provided that such extensions shall not extend the Term of this Agreement by more than sixty (60) days. Any such extension greater than sixty (60) days shall be in accordance with Subparagraph 6.1.3.
- 6.1.2 The County Project Manager is authorized to execute and approve amendments in the form of Change Notices that delete equipment from or add equipment to Exhibit C (Equipment List and Price Schedule). The cost of such changes shall not exceed the Maximum Contract Sum.
- 6.1.3 For any change that materially affects the scope of Work, period of performance, amount of payments, or any other term or condition in the body of this Agreement or Exhibit A (Additional Terms and Conditions), then a negotiated amendment to this Agreement shall be executed by the Board and Contractor.
- 6.1.4 Notwithstanding any other provision of this Paragraph 6.0 (Change Orders and Amendments), the Sheriff, with written concurrence of the County Counsel, is authorized to approve and execute amendments in the form of Change Notices for all Board ordered provisions.

6.2 Audit of Change Order Work

County is entitled to audit, in accordance with Paragraph 41.0 (Records and Audits) of Exhibit A (Additional Terms and Conditions), Contractor's

compliance with Paragraph 6.0 (Change Orders and Amendments) in respect of Work performed pursuant to a Change Order.

7.0 TERM

The term of this Agreement shall commence on the date approved by the Board of Supervisors, and shall continue for one (1) year, unless terminated earlier in whole or in part, as provided in this Agreement (the "Initial Term"). Subject to the acceptance of Contractor, The Sheriff has the option, at the Sheriff's discretion and upon notice to Contractor no later than sixty (60) days prior to the end of the then-current period of the Term, to extend the term of this Agreement for up to four (4) additional one (1) year periods (each an "Option Term"). As used herein, the "Term" shall mean the Initial Term and, if extended, each Option Term, as the case may be. Contractor shall notify the County Project Manager and the County Project Director when the Initial Term, or when each Option Term, as the case may be, is within three (3) months from the expiration of the Initial Term, or such Option Term, as the case may be, as provided for in this Paragraph 7.0 (Term).

8.0 PRICES AND FEES

8.1 General

Attached to this Agreement as Exhibit C (Equipment List and Price Schedule) is a schedule of all fees applicable to this Agreement. Exhibit C (Equipment List and Price Schedule) includes a price schedule for annual preventative maintenance and remedial repair services for the Initial Term. The annual flat-rate fee shall include costs of annual inspection, and all repairs, including parts and labor, and travel expenses for Contractor employees providing services under this Agreement, and for telephonic access to Contractor technical support. All rates listed in Exhibit C (Equipment List and Price Schedule) specified by Contractor for the Initial Term shall remain firm and fixed. County will pay Contractor for the entire year at the beginning of the Initial Term.

8.2 Maximum Contract Sum

The "Maximum Contract Sum" shall be the total monetary amount that would be payable by County to Contractor for providing the Work specified under this Agreement. The Maximum Contract Sum for this Agreement, including applicable Taxes, authorized by County hereunder shall in no event, expressly or by implication, exceed \$230,000 and shall be allocated as set forth in Exhibit C (Equipment List and Price Schedule). Contractor acknowledges and agrees that the Maximum Contract Sum is an all-inclusive, not-to-exceed price, that is an agreed upon assessment of the amount to be paid by County to Contractor for the Term of the Agreement.

8.3 Option Term Maintenance and Repair Fees

Exhibit C (Equipment and Price Schedule) includes Contractor's price quotation, for its provision of Maintenance and Repair Services, during the Option Terms.

8.4 Taxes

The amounts set forth in Exhibit C (Equipment List and Price Schedule) include all amounts necessary for County to reimburse Contractor for all applicable California and other state and local taxes for Work procured by County from Contractor. County shall not be liable or responsible for reimbursement of any taxes associated with the procurement except as set forth in Exhibit C (Equipment List and Price Schedule). Contractor will be solely liable and responsible for, and shall pay such tax directly to, the state or other taxing authority. In addition, Contractor shall be solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which County does not hold title, and, accordingly, shall not invoice County for any such taxes.

8.5 Price Changes

County shall receive Contractor's most current offered published price, less any applicable discounts. In the event that such current published prices are less than those set forth in this Agreement, then Contractor shall immediately notify and offer the lower prices to County. Such lower prices shall be effected by an amendment in the form of a Change Order pursuant to Subparagraph 6.1.1 of this Agreement.

9.0 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

Notwithstanding any other provision of this Agreement, either expressly or by implication, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Board appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed a termination for convenience pursuant to Paragraph 6.0 (Termination for Convenience) of Exhibit A (Additional Terms and Conditions). County shall endeavor to notify Contractor in writing of any such non-appropriation of funds at the earliest possible date.

10.0 INVOICES AND PAYMENTS

10.1 Approval of Invoices

The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other Work specified in Exhibit B (Statement of Work).

10.2 Submission of Invoices

Contractor shall invoice County for preventative maintenance and remedial repair services according to the schedule specified in Subsection 8.1. All invoices and supporting documents under this Agreement shall be submitted to the following addresses:

Original to Scientific Services Bureau:

With a copy to:

Los Angeles County Sheriff's Department
Accounts Payable
4700 Ramona Boulevard, Room 326
Monterey Park, California 91754

10.3 Detail

Contractor shall prepare invoices, with content and format as provided below:

10.3.1 County's Agreement Number

10.3.2 Contractor's Name and Address

10.3.3 Contractor's Federal Tax ID Number

10.3.4 Billing Period

10.3.5 Description of Services Provided

10.3.6 Total Amount Due

10.3.7 Additional supporting documentation and information reasonably requested by County.

10.4 No Out-of-Pocket Expenses.

Contractor acknowledges that out-of-pocket expenses, including travel, meal, and lodging expenses, are not reimbursable by County. Accordingly, Contractor's invoices shall not include out-of-pocket expenses.

10.5 Invoice Discrepancy Report

The County Project Manager or designee shall review all invoices for any discrepancies and issue an "Invoice Discrepancy Report" (or "IDR") to Contractor within ten (10) days of receipt of invoice if payment amounts are disputed. Contractor shall review the disputed charges and submit to the County Project Manager a written explanation detailing the basis for the charges within ten (10) days of receipt of the IDR from the County Project Manager. If the County Project Manager does not receive a written response from Contractor within ten (10) days of County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges.

10.6 Contractor Responsibility

Contractor is responsible for the accuracy of invoices submitted to County. Further, it is the responsibility of Contractor to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by Contractor.

10.7 County's Right to Withhold

In addition to any rights of County provided in this Agreement, or at law or in equity, County may, upon notice to Contractor, withhold payment for any Work while Contractor is in default hereunder, or at any time that Contractor has not provided County approved Work.

11.0 WARRANTY

Contractor warrants that it will provide its services at least in accordance with generally accepted standards prevailing in the instrument repair industry at the time and place performed. Warranty claims must be made within ninety (90) days after services are performed. Contractor makes no other warranties of any kind whatsoever, express or implied, including but not limited to warranties of fitness for a particular purpose or merchantability with respect to its services, which warranties are expressly disclaimed. Contractor's sole liability and responsibility under this agreement for breach of warranty is re-performance of the services within a reasonable time. In the event that the equipment is incapable of being repaired, contractor shall return the pro-rated share of the fee paid for the defective equipment. These are county's sole and exclusive remedies for any breach of warranty.

12.0 LIQUIDATED DAMAGES AND COST OF COVER

12.1 If the Contractor fails to provide maintenance and repair services for the genetic analyzers as scheduled, County may, without terminating the Agreement or any portion thereof, procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those not provided. The Contractor shall be liable to the County for any and all reasonable excess costs incurred by the County, as determined by the County, for such similar goods and services as mitigated damages.

12.2 This Paragraph 12.0 (Liquidated Damages and Cost of Cover) shall not, in any manner, restrict or limit the County's right to damages for any breach of this Agreement provided by law or as specified elsewhere in this Agreement and shall not, in any manner, restrict or limit the County's right to terminate this Agreement as agreed to herein.

13.0 NOTICES

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (a) by hand with signed receipt; (b) by first-class registered or certified mail, postage prepaid; (c) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid; or (d) by overnight commercial carrier, with signed receipt. Notice is deemed given at the time of signed receipt in the case of hand delivery, three (3) days after deposit in the United States mail as set forth above, on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party giving ten (10) days prior notice in accordance with the procedures set forth above, to the other party.

To County: (1)

with a copy to:

(2) Los Angeles County Sheriff's Department
Legal Advisory Unit
4700 Ramona Boulevard, Suite 225
Monterey Park, CA 91754-2169
Attention:
Facsimile: (323) 267-6687

To Contractor: Applied Biosystems
850 Lincoln Centre Drive

Foster City, CA 94404
Attention: Manager, Contracts Administrator
Facsimile: (650) 638-5143

With a copy to:
Applied Biosystems
850 Lincoln Centre Drive
Foster City, CA 94404
Attention: Director, General Legal/Regulatory

The County Project Director shall have the authority to issue all notices or demands, which are required or permitted by County under this Agreement.

14.0 ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of an arm's length negotiation between Contractor and County. Each party has had at all times the opportunity to receive advice from independent counsel of its own choosing. Accordingly, this Agreement is to be interpreted fairly as between the parties, and not strictly construed as against either party as drafter or creator.

15.0 SURVIVAL

The following Paragraphs of this Agreement shall survive its expiration or termination for any reason: 1.0 (Agreement and Interpretation), 2.0 (Definitions), 8.0 (Prices and Fees), 10.0 (Invoices and Payments), 12.0 (Liquidated Damages and Cost of Cover), 13.0 (Notices), 14.0 (Arm's Length Negotiations), 15.0 (Survival), and all the terms and conditions set forth in Exhibit A (Additional Terms and Conditions).

AGREEMENT
BETWEEN COUNTY OF LOS ANGELES
AND
APPLERA CORPORATION, THROUGH ITS APPLIED BIOSYSTEMS GROUP

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be subscribed by its Chair and the seal of such Board to be hereto affixed and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its authorized officer, effective as of the date approved by such Board.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:
VIOLET VARONA-LUKENS
Executive Officer
Los Angeles County
Board of Supervisors

By _____
Deputy

APPLERA CORPORATION, THROUGH ITS
APPLIED BIOSYSTEMS GROUP
Contractor

Signed: Stacy Hersch
Printed: Stacy Hersch
Title: Contract Specialist

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

By _____
Gary Gross
Principal Deputy County Counsel

DATE _____




SIGNATURE AUTHORIZATION

I HEREBY CERTIFY:

That I am Vice President and Secretary of APPLERA CORPORATION, a corporation organized and existing under the laws of the State of Delaware and having its principal place of business in Norwalk, Connecticut, and that, acting in such capacity, this document has been executed to evidence the authority of each of the following named employees of Applera Corporation or an affiliate to execute any document concerning the purchase or sale of goods or services by the Applied Biosystems Group, a business unit of the Corporation to the extent of the limitation hereafter set forth opposite such employee's name, pursuant to authority to legally bind said Corporation which has been delegated to such employee by the Board of Directors of APPLERA CORPORATION or an affiliate:

<u>NAME AND TITLE OF EMPLOYEE</u>	<u>LIMITATION</u>
Dawn Kerber Manager, Contracts Administration	\$500,000.00
Jennifer Kardos Senior Contracts Specialist	\$300,000.00
Phil Balough Contracts Specialist	\$300,000.00
Ben Goodman Contracts Specialist	\$300,000.00
Stacy Hersh Contracts Specialist	\$300,000.00
Linda Mitchell Contracts Specialist	\$300,000.00

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of APPLERA CORPORATION, this 28th day of June, 2005.



Thomas P. Livingston
Vice President and Secretary

EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

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EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions are applicable to, and form a part of, the Agreement. Capitalized terms not otherwise defined in this Exhibit A (Additional Terms and Conditions (as used in this Exhibit A (Additional Terms and Conditions), this "Exhibit") have the meanings given to such terms in the base document of the Agreement.

1.0 SUBCONTRACTING

1.1 General

County has relied, in entering into the Agreement, on the reputation of and on obtaining the personal performance of Contractor itself. Consequently, no performance of the Agreement, or any portion thereof, shall be subcontracted by Contractor except in accordance with the procedures set forth in this Paragraph 1.0 (Subcontracting). Any attempt by Contractor to subcontract any performance, obligation, or responsibility under the Agreement, except in accordance with the procedures set forth in this Paragraph 1.0 (Subcontracting), shall be null and void and shall constitute a material breach of the Agreement, upon which County may immediately terminate the Agreement.

1.2 Procedure for Subcontracting

If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under the Agreement to any subcontractor, Contractor shall adhere to the following procedures.

- 1.2.1 Contractor shall notify the County Project Director of its desire to subcontract a portion of the Work, which notice shall include the reason for the proposed subcontract, and a description of the Work to be performed under the proposed subcontract.
- 1.2.2 The identity of such subcontractor and why such subcontractor was selected.
- 1.2.3 A certificate of insurance from the proposed subcontractor which establishes that the subcontractor maintains all the programs of insurance required by the Agreement.
- 1.2.4 If the proposed Work is to be performed by a subcontractor, then in addition to the foregoing, Contractor shall provide:

- i. A draft copy of the proposed subcontract. The material provisions of any approved subcontract between Contractor and a third party may be changed or amended, as applicable, only with the prior written approval of the County Project Director, which approval shall not be unreasonably withheld; and
- ii. Any other information and/or certifications reasonably requested by County.

The County Project Director will review Contractor's request to subcontract and determine, in his discretion, whether or not to consent to such request on an individual basis. Without limiting in any way County's prior approval rights, Contractor shall deliver to the County Project Director a fully executed copy of each subcontract entered into by Contractor pursuant to this Subparagraph 1.2.4, on or immediately after the effective date of the subcontract but in no event later than the date any Work is performed under the subcontract.

- 1.2.5 Contractor shall obtain an executed subcontractor Employee Acknowledgment and Confidentiality Agreement (see Exhibit D (Contractor's Employee Acknowledgement and Confidentiality Agreement)) for each of subcontractor's employees performing Work under the subcontract. Such Contracts shall be delivered to the County Project Director on or immediately after the effective date of the particular subcontract but in no event later than the date any such employee commences performing Work under the subcontract.

1.3 Contractor Responsibilities

- 1.3.1 Notwithstanding any County consent to any subcontracting, Contractor shall remain responsible for any and all performance required of it under the Agreement, including the obligation properly to supervise, coordinate, and perform, all Work required hereunder, and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County.
- 1.3.2 In the event that County consents to any subcontracting, such consent shall be subject to County's right to reject any and all subcontractor personnel providing services under such subcontract.
- 1.3.3 In the event that County consents to any subcontracting, Contractor shall cause the subcontractor, on behalf of itself, its successors and administrators, to assume and be bound by and shall be deemed to have assumed and agreed to be bound by each and all of the provisions

of the Agreement and any amendment hereto as it relates to or affects the Work performed by subcontractor hereunder.

- 1.3.4 Contractor shall be solely liable and responsible for any and all payments and other compensation to all subcontractors and their officers, employees, and agents. County shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractors or their officers, employees, and agents.

2.0 DISPUTE RESOLUTION PROCEDURE

2.1 General

Contractor and County agree to act immediately to resolve mutually any disputes that may arise with respect to the Agreement. All such disputes shall be subject to the provisions of this Paragraph 2.0 (Dispute Resolution Procedure) (such provisions are collectively referred to as the "Dispute Resolution Procedures"). Time is of the essence in the resolution of disputes.

2.2 Continued Work

Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance, other than payment by County for approved Work, that the parties mutually determine should be delayed as a result of such dispute.

2.3 Dispute Resolution Procedures

In the event of any dispute between the parties with respect to the Agreement, Contractor and County shall submit the matter as follows:

- 2.3.1 Contractor and County shall first submit the matter to their respective District Manager and Project Manager, respectively, for the purpose of endeavoring to resolve such dispute.
- 2.3.2 If the Managers are unable to resolve the dispute within a reasonable time, not to exceed five (5) Business Days from the date of submission of the dispute, then the matter immediately shall be submitted to Contractor's Director and County's Project Director for further consideration and discussion to attempt to resolve the dispute.
- 2.3.3 If the Directors are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days from the date of submission of the dispute, then the matter shall be immediately submitted to Contractor's President of Worldwide Services and the Sheriff of the

County of Los Angeles. These persons shall have five (5) Business Days to attempt to resolve the dispute.

- 2.3.4 In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under the Agreement and its rights and remedies as provided by law.

2.4 Documentation of Dispute Resolution Procedures

All disputes utilizing the Dispute Resolution Procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in Subparagraph 2.3 (Dispute Resolution Procedure), the efforts to resolve a dispute shall be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

2.5 Not Applicable to County's Right to Terminate

Notwithstanding any other provision of the Agreement, County's right to terminate the Agreement pursuant to Paragraph 4.0 (Termination for Insolvency), Paragraph 5.0 (Termination for Default), Paragraph 6.0 (Termination for Convenience), or Paragraph 7.0 (Termination for Improper Consideration), in each case, of this Exhibit, or any other termination provision hereunder, shall not be subject to the Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights, and shall not be deemed to impair any claims that Contractor may have against County or Contractor's rights to assert such claims after any such termination or such injunctive relief has been obtained.

3.0 CONFIDENTIALITY

3.1 General

Contractor shall maintain the confidentiality of all confidential records and information, events or circumstances which occur during the course of Contractor's performance under the Agreement, in accordance with all applicable Federal, State, and local laws, regulations, ordinances, guidelines, and directives relating to confidentiality. In addition, Contractor shall not reproduce, distribute, or disclose to any person or entity any information identifying, characterizing, or relating to any risk, threat, vulnerability, weakness, or problem regarding data security or maintenance in County's computer systems, or to any safeguard, countermeasure, or contingency plan, policy or procedure for data security contemplated or implemented by County, without County's prior written consent. Contractor shall inform all of its directors, officers, shareholders, employees, and

agents providing services hereunder of the confidentiality provisions of the Agreement. Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Agreement (Exhibit D to the Agreement) for each of its employees performing Work under the Agreement. Notwithstanding anything herein to the contrary, Contractor acknowledges and agrees that it is responsible for any breach of the obligations of confidentiality set forth herein by any person or entity to whom Contractor discloses such confidential information.

3.2 Disclosure of Information.

3.2.1 With respect to any confidential information obtained by Contractor pursuant to the Agreement, Contractor shall: (a) not use any such records or information for any purpose whatsoever other than carrying out the express terms of the Agreement; (b) promptly transmit to County all requests for disclosure of any such records or information; (c) not disclose, except as otherwise specifically permitted by the Agreement, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (d) at the expiration or termination of the Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose. This Agreement imposes no obligation upon Contractor with respect to County's confidential information that: (a) was in the Contractor's possession before receipt from County; (b) is or becomes a matter of public knowledge or part of the public domain through no fault of the Contractor; (c) is rightfully received by the Contractor from a third party that was not obliged to keep such information confidential; (d) is developed by the Contractor without reference to confidential information of the County; or (e) is disclosed by the Contractor with the County's prior written approval.

3.2.2 Without limiting the generality of Subparagraph 3.2.1 of this Exhibit, in the event Contractor receives any court or administrative agency order, service of process, or request by any person or entity (other than Contractor's professionals) for disclosure of any such details, Contractor shall immediately notify the County Project Director. Thereafter, Contractor shall comply with such order, process, or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, Contractor shall delay such compliance and reasonably cooperate with County, at County's expense, to obtain relief from such obligations to disclose until County shall have been given a reasonable opportunity to obtain such relief.

3.3 Contractor Information

Any and all confidential or proprietary information which is developed or was originally acquired by Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "proprietary" or "confidential." County shall undertake reasonably to maintain the confidentiality of materials marked by Contractor as "proprietary" or "confidential." Notwithstanding the aforesaid, however, failure of Contractor to put such markings will not be construed as a waiver of Contractor's proprietary rights or shall release County to hold such information as confidential. Notwithstanding any other provision of this Agreement, County shall not be obligated in any way under this Agreement for:

- 3.3.1 Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and
- 3.3.2 Any materials indicating the volume, frequency and type of goods and services provided by Contractor, including, but not limited to use under Paragraph 25.0 (Resolicitation of Bids, Proposals, or Information).

3.4 Use of County Name

In recognizing Contractor's need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publishing its role under the Agreement within the following conditions:

- 3.4.1 Contractor shall develop all publicity material in a professional manner.
- 3.4.2 During the Term, Contractor shall not publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of the County Project Director, which shall not be unreasonably withheld or delayed.
- 3.4.3 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded the Agreement with County, provided that the requirements of this Subparagraph 3.4 (Use of County Name) (other than the requirements set forth in Subparagraph 3.4.2) shall apply.
- 3.4.4 Notwithstanding anything herein to the contrary, County reserves the right to object to any use of County's name and Contractor shall cure promptly and prospectively any use of County's name that has been objected to by County.

3.5 Injunctive Relief

Contractor acknowledges that a breach by Contractor of this Paragraph 3.0 (Confidentiality) may result in irreparable injury to County that may not be adequately compensated by monetary damages and that, in addition to County's other rights under the Agreement and at law and in equity, County shall have the right to seek injunctive relief to enforce the provisions of this Paragraph 3.0 (Confidentiality).

4.0 TERMINATION FOR INSOLVENCY

4.1 County may terminate the Agreement immediately at any time following the occurrence of any of the following:

4.1.1 Contractor has ceased to pay or has admitted in writing its inability to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay debts that Contractor disputes in good faith;

4.1.2 The filing of a voluntary or involuntary petition (which involuntary petition is not dismissed within sixty (60) days) regarding Contractor under the United States Bankruptcy Code;

4.1.3 The appointment of a receiver or trustee for Contractor; or

4.1.4 The execution by Contractor of a general assignment for the benefit of creditors other than in the course of arranging financial lines of credit.

4.2 The rights and remedies of County provided in this Paragraph 4.0 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.

4.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects the Agreement, County may elect to retain its rights under the Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 U.S.C. Section 365(n)). Upon written request by County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under the Agreement. The foregoing shall survive the termination or expiration of the Agreement for any reason whatsoever.

5.0 TERMINATION FOR DEFAULT

5.1 Event of Default

County may, upon notice to Contractor, terminate the whole or any part of the Agreement in the following circumstances:

5.1.1 If Contractor fails to perform or provide any Work within the times specified in the Agreement, or Contractor breaches or fails to perform or comply with any of the other material provisions of the Agreement, including the applicable notice and cure periods, if any (if no cure period is specified in the Agreement, Contractor shall have ten (10) days following Contractor's receipt of notice from the County Project Director specifying such breach or failure to cure prior to termination under this Paragraph 5.0 (Termination for Default), or such longer period as the County Project Director may authorize, in writing, but in no event shall the period, as extended by the County Project Director, exceed thirty (30) days), provided that nothing in this Subparagraph 5.1 shall in any way limit or modify any rights of County or obligations of Contractor relating to timely performance by Contractor as otherwise set forth in the Agreement.

5.2 Deemed Termination for Convenience

If, after County has given notice of termination under the provisions of this Paragraph 5.0 (Termination for Default), it is determined by County or otherwise that Contractor was not in default under the provisions of this Paragraph 5.0 (Termination for Default), or that the default was excusable or curable under the provisions of this Paragraph 5.0 (Termination for Default), the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 6.0 (Termination for Convenience) of this Exhibit except that no additional notice shall be required to effect such termination.

5.3 Completion of Work

Without limiting any of County's rights and remedies pursuant to the Agreement, upon the occurrence of any event giving rise to County's rights to terminate the Agreement, in whole or in part, pursuant to this Paragraph 5.0 (Termination for Default), County may, in lieu of such termination, (a) perform, or cause the performance of, any required correction, remedy and deficiency, replace any noncomplying Work, or take any other such action as may be reasonably required to promptly remedy such default, and (b) debit Contractor therefore at County's direct actual reasonable cost of outside labor and materials and County's burdened (including salary, employee benefits and reimbursement policies) rates for labor. In the event County elects to proceed under this

Subparagraph 5.3 (Completion of Work), any Work created, modified, or repaired by or at the direction of County (including software) shall be deemed Work under the Agreement, and Contractor's obligations in respect of Maintenance and Repair Services shall extend to such Work as if such Work had been prepared and delivered to County by Contractor. County shall provide Contractor such documentation in County's possession or control as reasonably requested by Contractor as is necessary for Contractor to provide Maintenance and Repair Services in respect of such Work.

6.0 TERMINATION FOR CONVENIENCE

6.1 Termination for Convenience.

The Agreement may be terminated, in whole or in part from time to time, by County in its sole discretion for any reason. Termination of Work hereunder shall be effected by delivery to Contractor of a notice of termination specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) days after notice.

6.2 No Prejudice; Sole Remedy

Nothing in this Paragraph 6.0 (Termination for Convenience) is deemed to prejudice any right of Contractor to make a claim against the County in accordance with this Agreement and applicable law and County procedures for payment for Work through the effective date of termination. Contractor, however, acknowledges that the rights and remedies set forth in this Subparagraph 6.2 shall be the only remedy available to Contractor in the event of a termination or suspension pursuant to this Paragraph 6.0 (Termination for Convenience) by County.

7.0 TERMINATION FOR IMPROPER CONSIDERATION

7.1 County may, upon notice to Contractor, immediately terminate the right of Contractor to proceed under the Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

7.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the

County manager charged with the supervision of the employee or to County Auditor-Controller's employee fraud hotline at (800) 544-6861.

- 7.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.0 TERMINATION FOR GRATUITIES

County may, by notice to Contractor, terminate the right of Contractor to proceed under the Agreement upon one (1) calendar day's notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by Contractor, or any agent or representative of Contractor, to any officer, employee, or agent of County with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

9.0 EFFECT OF TERMINATION

9.1 Remedies

In the event that County terminates the Agreement in whole or in part as provided in Paragraph 4.0 (Termination for Insolvency), Paragraph 5.0 (Termination for Default), Paragraph 6.0 (Termination for Convenience), Paragraph 7.0 (Termination for Improper Consideration), or Paragraph 8.0 (Termination for Gratuities), in each case, of this Exhibit, then:

- 9.1.1 Contractor shall (a) stop performing Work under the Agreement on the date and to the extent specified in such notice, (b) promptly transfer and deliver to County copies of all completed Work and Work that is in process, in a media reasonably requested by County, (c) promptly transfer and deliver all items, previously paid for by County, and (d) complete performance of such part of the Work as shall not have been terminated by such notice;
- 9.1.2 Unless County has terminated the Agreement pursuant to Paragraph 6.0 (Termination for Convenience) of this Exhibit, County shall have the right to procure, upon such terms and in such a manner as County may determine appropriate, goods, services, and other Work, similar and competitive to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs reasonably incurred by County, as determined by County, to procure and furnish such similar goods, services, and other Work;

9.1.3 Contractor shall promptly return to County any and all of County's confidential information that relates to that portion of the Agreement or Work terminated by County;

9.1.4 Contractor and County shall continue the performance of the Agreement to the extent not otherwise terminated.

9.2 Transition Services

Contractor agrees that in the event of any termination of the Agreement, as a result of the breach hereof by Contractor, , including expiration, Contractor shall fully cooperate with County in the transition by County to a new agreement, toward the end that there be no interruption of the Department's day to day operations due to the unavailability of the equipment during such transition. Contractor agrees that if County terminates the Agreement pursuant to Paragraph 6.0 (Termination for Convenience) of this Exhibit or Subparagraph 5.2 (Deemed Termination for Convenience) of this Exhibit, Contractor shall perform transition services, and shall invoice County for such transition services determined in accordance with the rates specified in Exhibit C (Equipment List and Price Schedule) of the Agreement, in accordance with a transition plan to be agreed upon, in advance, by the County Project Director and the Contractor field service engineer. Contractor further agrees that in the event that County terminates the Agreement for any other breach by Contractor, Contractor shall perform transition services at its own expense. In connection with the provision of any transition services pursuant to this Subparagraph 9.2 (Transition Services), Contractor shall provide to the County Project Director, on request by the County Project Director, documentation that reasonably details the source and amount of the expenses Contractor purports to have incurred in the provision of such transition services.

9.3 Remedies Not Exclusive

The rights and remedies of County set forth in this Paragraph 9.0 (Effect of Termination) are not exclusive of any other rights and remedies available to County at law or in equity, or under the Agreement.

10.0 WARRANTY AGAINST CONTINGENT FEES

10.1 Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

10.2 For breach of this warranty, County shall have the right to terminate the Agreement and, in its discretion, deduct from the Agreement price or

consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

11.0 AUTHORIZATION WARRANTY

Contractor and the person executing the Agreement on behalf of Contractor hereby represent and warrant that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

12.0 FURTHER WARRANTIES

Contractor represents, warrants and further covenants and agrees to the following:

12.1 Skilled Personnel Warranty

Contractor warrants that all tasks, goods, services and other Work required hereunder will be performed in a timely and professional manner by qualified and trained maintenance technicians experienced and knowledgeable as to the relevant equipment maintenance requirements. The performance of all such tasks, goods, services and other Work shall conform to the Contractor's specifications and standards generally considered acceptable in the industry currently existing at the location where the services will be performed.

12.2 Conformance to Specifications Warranty

Contractor warrants that it will maintain County equipment free from defects in workmanship and materials, so that all equipment shall conform to the Contractor's specifications, as published by the manufacturer thereof.

12.3 Parts Quality and Implementation of Engineering Change (EC) and Microcode Change (MC) Levels Warranty

12.3.1 Contractor warrants that it will maintain County equipment with parts that may be new standard parts produced by the manufacturer or used parts produced by the manufacturer or Contractor. All materials, parts, and exchange equipment shall be certified by Contractor as meeting the performance standards, Engineering Change (EC) and/or Microcode Change (MC) levels, and specifications set by the manufacturer.

12.3.2 In the event that Contractor is authorized to implement an EC and/or an MC on any equipment, Contractor warrants that it will strictly comply with the manufacturer's procedures for implementing such EC and/or MC.

12.4 Prompt and Thorough Performance

Contractor shall thoroughly proceed to the correction of any and all defects and errors in the tasks, goods, services, and other Work provided pursuant to this Agreement, as well as in the equipment for which Contractor is responsible. Correction of all Contractor's defects and errors shall be at no cost to the County. Subject to circumstances beyond the reasonable control of Contractor and to the terms of this Agreement, Contractor will use reasonable efforts to respond to service call within 48 hours of the County contacting Contractor to initiate such service call. For avoidance of doubt, such period does not require Contractor to complete the services required but provides the time for Contractor to contact the County.

12.5 Contractor shall, in the performance of all Work, substantially comply with the descriptions and representations (including performance capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions, and requirements) as set forth in this Agreement, including the Statement of Work.

12.6 Contractor and each of its personnel performing Work hereunder have all permits, licenses, and certifications necessary to perform Contractor's obligations under the Agreement.

13.0 INDEMNIFICATION AND INSURANCE

13.1 Indemnification

Contractor shall indemnify, defend, and hold harmless County, its districts administered by County, and their elected and appointed officers, employees, and agents (the "County Indemnitees") from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including reasonable defense costs and legal, accounting and other expert witness, consulting, attorney and other professional fees), for injury, including death, or damage to property, excluding intellectual property ("Claims"), to the extent such Claims are caused by Contractor's, Contractor's agents' negligent acts or negligent omissions, or willful misconduct. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 13.0 (Indemnification and Insurance) shall be controlled and conducted by Contractor and performed by counsel selected by Contractor. Contractor shall not, however, without County's prior written approval, accept any settlement, or enter a plea of guilty or *nolo contendere*, to any charge or claim that results in other than a monetary judgment against County Indemnitees, which monetary judgment shall not exceed Contractor's ability to pay and which shall be paid by Contractor. County shall promptly notify Contractor of any foregoing Claims and shall reasonably cooperate, at Contractor's expense, in the defense and or settlement of such Claims. In no event will either party be liable for any indirect, incidental,

consequential, special or exemplary damages, including, but not limited to, loss of profits, or loss of business opportunity, even if such damages are foreseeable and whether or not such party has been advised of the possibility thereof.

13.2 General Insurance Requirements

Without limiting Contractor's obligations of indemnification and defense of County Indemnitees, Contractor shall provide and maintain at its own expense during the Term the following programs of insurance covering its operations under the Agreement, as specified in this Subparagraph 13.2 (General Insurance Requirements). Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County.

13.2.1 Evidence of Insurance

Certificates or other evidence of coverage satisfactory to the County's Risk Manager, and evidence of such programs satisfactory to County, shall be delivered to

Henry K. Yee, Manager
Sheriff's Department Contracts Unit
4700 Ramona Boulevard, Room 214
Monterey Park, CA 91754-2169

on or before the execution of the Agreement by the Board. Such certificates or other evidence shall at a minimum:

- (i) Specifically identify the Agreement;
- (ii) Clearly evidence all coverages required in the Agreement;
- (iii) Contain express conditions that County is to be given notice by registered mail at least thirty (30) days prior to any termination of any program of insurance, and, with respect to any modification of any program of insurance, at least thirty (30) days in advance or immediately following Contractor's first receipt of notice of modification in the event Contractor receives less than thirty (30) days advance notice of such modification;
- (iv) Include copies of the additional insured endorsement to the commercial general liability policy, naming all County Indemnitees as insureds for all activities arising from the Agreement; and
- (v) Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they

apply to County Indemnitees, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

13.2.2 Insurer Financial Ratings

Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County's Risk Manager.

13.2.3 Insurance Programs

At a minimum, Contractor shall maintain during the Term programs of insurance which consists of:

- (i) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2,000,000
Products/Completed Operations Aggregate:	\$1,000,000
Personal and Advertising Injury:	\$1,000,000
Each Occurrence:	\$1,000,000

- (ii) Comprehensive auto liability insurance (written on an ISO policy form CA 00 01 or its equivalent) endorsed for owned, non-owned, and hired vehicles, or coverage for "any auto" with a limit of not less than one million dollars (\$1,000,000) per accident.

- (iii) Workers' compensation insurance in an amount and form required by the California Labor Code (or the labor code of any other applicable state), covering all persons for which Contractor is responsible and all risks to such persons under the Agreement. Such insurance shall include employer's liability coverage covering accident and disease. In respect of accident, the limit shall be no less than one million dollars (\$1,000,000) per accident, and, in respect of disease, the policy limit shall be no less than one million dollars (\$1,000,000) and one million dollars (\$1,000,000 for each employee.

13.2.4 Notification of Incidents, Claims or Suits

Contractor shall report to County:

- (i) Any accident or incident relating to services performed under the Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.
- (ii) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under the Agreement. Such report shall be made in writing within twenty-four (24) hours of the earlier of service of process of such claim or lawsuit, or Contractor otherwise has knowledge of such claim or lawsuit.
- (iii) Any injury to a Contractor staff member which occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Project Director. Such report shall be made in writing within twenty-four (24) hours of occurrence.
- (v) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to Contractor under the terms of the Agreement. Such report shall be made in writing within twenty-four (24) hours of occurrence.

13.3 Failure to Procure and Maintain Insurance

Failure on the part of Contractor to procure and maintain all the required insurance shall constitute a material breach of the Agreement upon which County may terminate the Agreement pursuant to Paragraph 5.0 (Termination for Default) of this Exhibit and seek all remedies pursuant to Paragraph 9.0 (Effect of Termination) of this Exhibit, or alternatively, may purchase such required insurance coverage and debit Contractor pursuant to Subparagraph 5.3 (Completion of Work) of this Exhibit.

14.0 INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Subparagraph 13.1 (Indemnification) of this Exhibit, from and against any and all liability (alleged or actual), including damages, losses, costs, fees and other expenses (including reasonable defense costs and legal, accounting and other expert, consulting, attorney, or other professional fees), to the extent that the sale or manufacture of products or portion thereof by Contractor provided to County under this Agreement infringe any patent, copyright, trademark, or other proprietary rights of such third party, or any actual or alleged trade secret disclosure of misappropriation, arising from or related to the operation of the Work under the Agreement (collectively referred to as "Infringement Claims. County shall promptly notify Contractor of any foregoing claims

under this Section and shall reasonably cooperate in the defense and/or settlement of such claims. Contractor shall have the right to control the defense and/or settlement of such claims. If Contractor's products or portion thereof is finally adjudged to be infringing or if in Contractor's sole determination may infringe such third party's intellectual property rights, Contractor may, at its sole discretion, purchase the rights to allow the sale of such products, modify the products so that it becomes non-infringing, substitute the product with a non-infringing product, or required County to return such products and refund the purchase price County has actually paid for such product, less any reasonable amount for use and obsolescence.

15.0 BUDGET REDUCTIONS

In the event that the Board adopts, in any fiscal year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, the County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by Contractor under this Agreement. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Contractor shall continue to perform all of its obligations set forth in this Agreement.

16.0 FORCE MAJEURE

Contractor shall not be liable for failure to perform its obligations under this Agreement or for any such excess costs, if its failure to perform the Agreement arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by Contractor or any of Contractor's subcontractors), freight embargoes, or other similar acts to those described above, but in every such case the failure to perform must be totally beyond the reasonable control and without any fault or negligence of Contractor. If the failure to perform is caused by the fault of a subcontractor, and if such default arises out of causes beyond the reasonable control of both Contractor and subcontractor, and without any fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. Contractor agrees to use commercially reasonable efforts to obtain such goods or services from other sources, and to mitigate the damages and reduce the delay caused by any of the above mentioned *force majeure* events. As used in this Paragraph 16.0 (Force Majeure), the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

17.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

17.1 A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to

satisfactorily perform the Agreement. It is County's policy to conduct business only with responsible Contractors.

- 17.2 Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the Agreement, debar Contractor from bidding on County contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts Contractor may have with County.
- 17.3 County may debar Contractor if the Board finds, in its discretion, that Contractor has done any of the following: (a) violated a material term of a Contract, including this Agreement, with County or a nonprofit corporation created by County, (b) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (c) committed an act or offense which indicated a lack of business integrity or business honesty, or (d) made or submitted a false claim against County or any other public entity.
- 17.4 If there is evidence that Contractor may be subject to debarment, the Sheriff's Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 17.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and the Sheriff's Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- 17.6 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 17.7 These terms shall also apply to subcontractors of County contractors, including Contractor.

18.0 COMPLIANCE WITH APPLICABLE LAW

Contractor's activities hereunder shall comply with all Federal, State, and local laws, rules, regulations, ordinances, guidelines, and directives applicable to Contractor's provision of services under this Agreement, and all provisions required thereby to be included in the Agreement are hereby incorporated herein by reference. Unless provided otherwise under the Agreement, Contractor shall have up to fifteen (15) days to correct any noncompliance with County rules, regulations, ordinances, guidelines, and directives following notice from County including written copies of such applicable rules, regulations, ordinances, guidelines and directives.

19.0 FAIR LABOR STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees and agents from any and all liability, including damages, losses, wages, overtime pay, liquidated damages, penalties, court costs, fees and other expenses (including attorneys' fees) arising under any wage and hour law, including the Federal Fair Labor Standards Act for Work performed by Contractor's employees.

20.0 NONDISCRIMINATION, AFFIRMATIVE ACTION, AND ASSURANCES

Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally as required by applicable laws and regulations without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

20.1 Contractor shall certify to, and comply with, the provisions of Contractor's EEO certification.

20.2 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

20.3 Contractor certifies and agrees that it will deal with its bidders, or vendors as required by applicable laws and regulations without regard to or because of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap.

- 20.4 Contractor certifies and agrees that it, its affiliates, subsidiaries or holding companies, shall comply with all applicable Federal and State laws and regulations, including:

20.4.1 Title VII, Civil Rights Act of 1964;

20.4.2 Section 504, Rehabilitation Act of 1973;

20.4.3 Age Discrimination Act of 1975;

20.4.4 Title IX, Education Amendments of 1973, as applicable; and

20.4.5 Title 43, part 17, Code of Federal Regulations, subparts a and b;

And that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, or physical or mental handicap, be unlawfully excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the Agreement, or under any project, program, or activity supported by the Agreement.

- 20.5 Contractor shall, with reasonable notice and during regular business hours, allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 20.0 (Nondiscrimination, Affirmative Action, and Assurances) when so requested by County; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee, County shall maintain the confidentiality of such records in compliance with all laws, and County representatives shall comply with all safety and health rules, procedures and directions of Contractor while on Contractor's premises. If County finds that any of the provisions of this Paragraph 20.0 (Nondiscrimination, Affirmative Action, and Assurances) have been violated, such violation shall, at the election of County, constitute a material breach of the Agreement upon which County may immediately terminate the Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations such determination shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of the Agreement. All determinations of violations made pursuant to this Subparagraph 20.5 shall be appealable by Contractor in accordance with applicable laws and regulations, and separately pursuant to the Dispute Resolution Procedures.

- 20.6 The parties agree that if Contractor violates the anti-discrimination provisions of the Agreement, County shall, at its option, be entitled to the sum of five hundred

dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating the Agreement.

21.0 NONDISCRIMINATION IN SERVICES

Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap, in accordance with all applicable requirements of Federal and State law. For the purpose of this Paragraph 21.0 (Nondiscrimination in Services), discrimination in the provision of services may include the following: (a) denying any person any service or benefit or the availability of the facility, (b) providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others, (c) subjecting any person to segregation or separate treatment in any manner related to the receipt of any service, (d) restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit, and (e) treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.

22.0 EMPLOYMENT ELIGIBILITY VERIFICATION

22.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under the Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended.

22.2 Contractor shall retain all such documentation for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Subparagraph 13.1 (Indemnification) of this Exhibit from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including reasonable defense costs and legal, accounting and other expert witness, consulting or professional fees) arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work hereunder.

23.0 HIRING OF EMPLOYEES

To the extent allowed by law, Contractor and County agree that, during the Term and for a period of one (1) year thereafter, except with the prior written consent of the other party, neither party shall in any way intentionally induce or solicit any Project Director,

Project Manager or other employee, of one party to become an employee or agent of the other party. Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform Work described in the Agreement, in the event that: (a) County has the right to terminate the Agreement pursuant to Paragraph 4.0 (Termination for Insolvency) of this Exhibit, (b) the Agreement is terminated by County due to Contractor's default pursuant to Paragraph 5.0 (Termination for Default) of this Exhibit, (c) without resolution acceptable to both parties, Contractor and County have followed the Dispute Resolution Procedures, or (d) Contractor either announces the withdrawal of support of, or otherwise no longer provides services County deems essential to, the ongoing support of the Work as applicable.

24.0 CONFLICT OF INTEREST

24.1 No County employee whose position with County enables such employee to influence the award of the Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in the Agreement. No officer or employee of Contractor, who may financially benefit from the performance of Work hereunder, shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

24.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the Term. Contractor warrants that it is not now aware of any facts that do or could create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include identification of all persons implicated and a complete description of all relevant circumstances.

25.0 RESOLICITATION OF BIDS, PROPOSALS, OR INFORMATION

25.1 Contractor acknowledges that, prior to the expiration or earlier termination of the Agreement, County, in its discretion, may exercise its right to invite bids, request information, or request proposals for the continued provision of the goods and services delivered or contemplated under the Agreement. County shall make the determination to re-solicit bids, request information, or request proposals in accordance with applicable County policies.

25.2 Contractor acknowledges that County, in its discretion, may enter into a contract for the future provision of goods and services, based upon the bids, information, or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected

through any future invitation for bids, request for information, or request for proposals by virtue of its present status as Contractor.

26.0 RESTRICTIONS ON LOBBYING

County Projects

Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County lobbyist ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County lobbyist ordinance shall constitute a material breach of the Agreement upon which County may immediately terminate or suspend the Agreement.

27.0 CONSIDERATION OF GAIN PROGRAM PARTICIPANTS FOR EMPLOYMENT

Should Contractor require additional or replacement personnel after the Effective Date, Contractor shall give reasonable consideration for any such employment openings to participants in County's Department of Public Social Services' greater avenues for independence (in this Paragraph, "GAIN") or general relief opportunity for work (in this Paragraph, "GROW") programs who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN participants by job category to Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first opportunity.

28.0 STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Subject to all applicable laws and regulations, Contractor shall use reasonable efforts to ensure that no employee will perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance, which might reasonably, or have been observed to, impair such person's physical or mental performance.

29.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Exhibit or the Agreement, performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused to the extent such performance remains physically reasonably possible without related danger to Contractor's employees or suppliers and will not prevent such performance. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform any or all of their services remotely. Failure to comply with this requirement shall be

considered a material breach of this Agreement by Contractor, for which County may immediately terminate this Agreement.

30.0 CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "L A's Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. CSSD will supply Contractor with the poster to be used.

31.0 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

31.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

31.2 As required by County's Child Support Compliance Program (Los Angeles County Code chapter 2.200) and without limiting Contractor's duty under the Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the Term maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 U.S.C. Section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served wage and earnings withholding orders or County's CSSD notices of wage and earnings assignment for child or spousal support, pursuant to California Code of Civil Procedure Section 706.031 and California Family Code Section 5246(b).

31.3 Failure of Contractor to maintain compliance with the requirements set forth in this Paragraph 31.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default by Contractor under the Agreement. Without limiting the rights and remedies available to County under any other provision of the Agreement or at law or in equity, failure to cure such default within ninety (90) days of notice by the CSSD shall be grounds upon which County may suspend or terminate the Agreement pursuant to Paragraph 5.0 (Termination for Default) of this Exhibit.

32.0 RECYCLED-CONTENT PAPER

Consistent with the Board's policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible in Contractor's provision of Work pursuant to the Agreement.

33.0 COMPLIANCE WITH JURY SERVICE PROGRAM

33.1 Jury Service Program

This Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

33.2 Written Employee Jury Service Policy.

33.2.1 Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the Los Angeles County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the Los Angeles County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employees' regular pay the fees received for jury service.

33.2.2 For purposes of this Paragraph 33.0 (Compliance with Jury Service Program), "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: (a) the lesser number is a recognized industry standard as determined by County, or (b) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under the Agreement, the subcontractor shall also be subject to the provisions of this Paragraph 33.0 (Compliance with Jury Service Program). The provisions of this Paragraph 33.0 (Compliance with Jury Service Program) shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

33.2.3 If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if

Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Term and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" or that Contractor continues to qualify for an exception to the Jury Service Program.

- 33.2.4 Contractor's violation of this Paragraph 33.0 (Compliance with Jury Service Program) of this Exhibit may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

34.0 BACKGROUND AND SECURITY INVESTIGATIONS

- 34.1 To the extent allowed by law, background and security investigations of Contractor's staff may be required at the discretion of the County as a condition of beginning and continuing work under the Agreement. To the extent allowed by law, all Contractor's personnel requiring access to County facilities must undergo such background and security investigations.
- 34.2 The cost of background checks is the responsibility of the Contractor.
- 34.3 County may immediately deny or terminate facility access to Contractor personnel who do not pass such investigation to the satisfaction of the County.
- 34.4 Disqualification, if any, of Contractor personnel pursuant to this Paragraph 34.0 (Background and Security Investigations) shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Agreement.

35.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees, and agents will be granted access to County facilities, subject to Contractor's prior notification to the County Project Director, for the purpose of executing Contractor's obligations hereunder, Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. for general maintenance and repair. In the event that emergency repair service is required, Contractor may be granted access to County facilities on a twenty-four (24) hour a day, seven (7) days a week basis. Contractor shall have no tenancy, or any other property or other rights in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel

at all times, unless this requirement is waived in writing prior to such event by the County Project Director.

36.0 COUNTY FACILITY OFFICE SPACE

In order for Contractor to perform services hereunder and only for the performance of such services, County may elect, subject to County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the County Project Director, at County facilities, on a non-exclusive use basis. County shall also provide Contractor with reasonable telephone service and network connections in such office space for use only for purposes of the Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

37.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS

37.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made promptly after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

37.2 In the event that Contractor fails to make timely repairs, County may make any necessary repairs. All reasonable costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand, or without limitation of all County's other rights and remedies provided at law or equity, or under the Agreement, County may deduct such costs from any amounts due to Contractor from County under the Agreement.

38.0 FEDERAL EARNED INCOME TAX CREDIT

Contractor shall notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

39.0 ASSIGNMENT BY CONTRACTOR

39.1 Contractor shall not assign its rights or delegate its duties under the Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. Provided, however, that Contractor may assign this Agreement without consent from County if such assignment is in relation to the assignment of all or substantially all the assets of Contractor. For purposes of this Subparagraph 39.1, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties, and

which may be executed by the Sheriff on behalf of the County with the written concurrence of the County Counsel.

- 39.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person, corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with Subparagraph 39.1 of this Exhibit.

40.0 INDEPENDENT CONTRACTOR STATUS

- 40.1 The Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent Contractor.
- 40.2 County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.
- 40.3 Contractor understands and agrees that all persons performing Work pursuant to the Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. County shall have no obligation to furnish, or liability for, workers' compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to the Agreement.
- 40.4 Contractor shall provide to County an executed Contractor's Employee Acknowledgment and Confidentiality Agreement (Exhibit D) for each of its employees performing Work under the Agreement. Such agreements shall be delivered to the County Project Director.

41.0 RECORDS AND AUDITS

- 41.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to the Agreement, including any termination hereof, in accordance with generally accepted accounting principles. Contractor agrees that County, or its authorized representatives, shall, with reasonable notice and during regular business hours, have access to and the right to examine, audit,

excerpt, copy or transcribe any pertinent transaction, activity, or records of Contractor relating to the Agreement; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. Should the examination and audit be performed by a non-County entity or should a non-County entity be requested by County to review information received pursuant to an audit or examination under this Paragraph 41.0 (Records and Audits), Contractor may require the non-County examiner or auditor, as the case may be, to execute a nondisclosure contract prior to any disclosure. The nondisclosure Contract shall limit the non-County entity's use of information received or reviewed in connection with the examination and audit to work performed specifically for the benefit of County. All such material, including all financial records, time cards and other employment records, shall be kept and maintained by Contractor and shall be made available to County during the Term and for a period of five (5) years thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then Contractor shall either (a) provide County with access to such material at a mutually agreed upon location, including Contractor's facility, during normal working hours, or (b) Contractor shall provide such material to County either by sending the material via certified express mail or delivery service or by facsimile transmission.

- 41.3 If an audit is conducted of Contractor specifically regarding the Agreement by any Federal or State auditor, then Contractor shall file a copy of such audit report with County's Auditor Controller and the County Project Director within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under the Agreement.
- 41.4 If, at any time during or after the Term, representatives of County conduct an audit of Contractor, as and to the extent permitted hereunder, regarding the Work performed under the Agreement, the results of such audit, including any final determination in respect of an underpayment or overpayment, if any by County under the Agreement, shall be provided in writing to Contractor. Contractor shall have thirty (30) days to review the findings contained in such audit and notify County of any objection to the same. Such notice must include, in reasonable detail, the basis for Contractor's objection and any supporting documentation and analysis for Contractor's objection. If the parties cannot agree, within fifteen (15) days of receipt of Contractor's objection to the findings contained in County's audit, on the amount of underpayment or overpayment, if any, by County to Contractor hereunder, then either party may submit such matter to the Dispute Resolution Procedure, provided such matter shall be submitted initially, directly to the County Project Director and the Contractor Project Director. If Contractor fails to notify County of any objection it has to the findings of County's audit within the thirty (30) day period set forth above, Contractor waives any right to

object to the findings of such audit, including any determination of overpayment by County. If such audit, whether initially following a waiver by Contractor of its right of objection or upon final determination pursuant to the Dispute Resolution Procedure, finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall be either repaid by Contractor to County by cash payment upon demand or, at the discretion of the County Project Director, deducted from any amounts due to Contractor from County. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County, but in no event shall County's payments to Contractor exceed the Maximum Contract Sum.

42.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

Contractor shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates required by all Federal, State, and local laws, ordinances, rules, and regulations, which are applicable to Contractor's services under the Agreement. Contractor shall further ensure that all of its officers, employees, and agents who perform services hereunder, shall obtain and maintain in effect during the Term all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. If and to the extent requested by County, Contractor shall provide copy of each such license, permit, registration, accreditation, and certificate, in duplicate, to Henry Yee, Manager, Sheriff's Department Contracts Administration, 4700 Ramona Boulevard, Monterey Park, CA 91754-2169.

43.0 NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of the Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of the Agreement, except that this Paragraph 43.0 (No Third Party Beneficiaries) shall not be construed to diminish Contractor's indemnification obligations hereunder.

44.0 COUNTY'S QUALITY ASSURANCE PLAN

County or its agent will evaluate Contractor's performance under the Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with the terms and performance standards of the Agreement. Contractor deficiencies which County determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board. The report will include improvement and corrective action measures taken by County and Contractor. If, following due cure and notice periods for any specified material breach, improvement does not occur consistent with the corrective action measures, County may terminate the Agreement or impose other penalties as specified in the Agreement.

45.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should Contractor require personnel in addition to those employed by Contractor on the Effective Date to perform the services set forth herein, Contractor shall give consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Agreement.

46.0 CONTRACTOR TO NOTIFY COUNTY WHEN IT HAS REACHED 75% OF MAXIMUM CONTRACT SUM (UNDER CONTRACT SUM PROVISION)

Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Maximum Contract Sum. Upon occurrence of this event, Contractor shall send written notification to the County Project Director and the County Project Manager.

47.0 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF CONTRACT

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor under the Agreement, after the expiration or other termination of this Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration or termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

48.0 SAFELY SURRENDERED BABY LAW

48.1 Notice to Employees

Contractor shall notify and provide to its employees residing in or working in the State of California, and shall require each subcontractor performing Work under this Agreement to notify and provide to its employees residing in or working in the State of California, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

48.2 Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby Law

Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands

that it is County's policy to encourage all County Contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

49.0 WAIVER

No waiver by either party of any breach of any provision of the Agreement shall constitute a waiver of any other breach or of such provision. Failure of either party to enforce at any time, or from time to time, any provision of the Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in the Agreement shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.

50.0 GOVERNING LAW, JURISDICTION, AND VENUE

The Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to contracts made and to be performed within that state. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California (except with respect to claims that are subject to exclusive Federal subject matter jurisdiction, as to which Contractor agrees and consents to the exclusive jurisdiction of the United States District Court of the Central District of California) for all purposes regarding the Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the Central District of the Superior Court for the County of Los Angeles, California.

51.0 SEVERABILITY

If any provision of the Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective. In the event that one or more of the provisions of the Agreement is found to be invalid, illegal or unenforceable in any respect, such provision shall be deleted here from and the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the Agreement fails of its essential purpose because of such deletion.

52.0 RIGHTS AND REMEDIES

The rights and remedies of either party provided in any given Paragraph, as well as throughout the Agreement, including throughout this Exhibit, are non-exclusive and cumulative with any and all other rights and remedies under this Agreement, at law, or in equity.

53.0 ADDITIONAL REMEDIES

- 53.1 Nothing in this Paragraph 53.0 (Additional Remedies) shall limit Contractor's liability for personal injury and/or property damage caused by Contractor's negligent and/or unlawful acts or negligent acts, negligent omissions, or willful misconduct, nor affect or limit Contractor's obligations of indemnification, defense and/or insurance under any other provisions of this Agreement.
- 53.2 The remedies set forth in this Paragraph 53.0 (Additional Remedies) are not exclusive and their application shall not be construed as a waiver of any other remedy provided by law or as set forth in this Agreement.

54.0 FACSIMILE

Except for the parties initial signatures to the Agreement, which must be provided in "original" form, and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on change notices or in other correspondence, notices, etc. requiring signatures, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed thereto, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

55.0 NOTICE OF DELAY

In the event Contractor determines at any time that failure, delay, or inadequacy of performance of any of County's obligations hereunder may prevent or tend to prevent Contractor from completing any of County's obligations in a timely manner or may cause or tend to cause Contractor to incur additional or unanticipated costs or expenses, Contractor shall promptly following such determination (and without limiting Contractor's obligation of prompt notification, in any event within five (5) days following such determination), notify the County Project Director in writing, which notice shall specify in reasonable detail: (a) any alleged failure, delay or inadequacy of performance by County and (b) to the best knowledge of Contractor after due inquiry and analysis, the estimated impact of such alleged failure, delay or inadequacy on the performance of Contractor's obligations, including any estimated delay and any estimated amount of additional or unanticipated costs or expenses that may be incurred (a "Notice of Delay"). Such Notice of Delay, if timely filed, shall be treated as a request by Contractor for a Change Order or an amendment to the Agreement, as applicable pursuant to Paragraph 6.0 (Change Orders and Amendments) of the base document. In the event Contractor fails to notify County in writing of any alleged failure, delay, or inadequacy of performance of any of County's obligations in a timely manner as set forth in this Paragraph 55.0 (Notice of Delay), Contractor shall not be entitled to rely upon such alleged failure, delay or inadequacy of performance for any purpose whatsoever, including a purported justification for either: (a) claiming that Contractor is entitled to receive any additional payments from County hereunder or (b) failing to fulfill

any of Contractor's obligations in a timely manner. This Paragraph 55.0 (Notice of Delay) shall not be interpreted or construed as expanding in any manner the financial obligations of County under the Agreement.

56.0 OWNERSHIP OF MATERIALS

- 56.1 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 56.2 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute, or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.

* * *

**STATEMENT OF WORK
GENETIC ANALYZER MAINTENANCE AND REPAIR SERVICES**

1.0 SCOPE OF WORK

Contractor shall provide one (1) annual preventative maintenance service, and all remedial repairs, including all spare parts, materials and labor, travel expenses for Contractor staff, and for telephonic technical support for the following Applied Biosystems instruments:

310 Genetic Analyzer Serial Number 100001087
310 Genetic Analyzer Serial Number 100001037
310 Genetic Analyzer Serial Number 310000840
310 Genetic Analyzer Serial Number 310000841
310 Genetic Analyzer Serial Number 310000843
7000 Sequence Detection System Serial Number 270003327
7000 Sequence Detection System Serial Number 270003539

The Equipment is located at the Sheriff's Department's Scientific Services Bureau, 2020 West Beverly Boulevard, Los Angeles, California 90057. County may add or delete instruments from this list upon mutual agreement with Contractor.

2.0 BACKGROUND

The Department's Scientific Services Bureau (SSB) provides forensic laboratory services for the Department and 45 municipal police agencies within Los Angeles County. SSB completes 300-400 DNA cases annually involving violent assaults, sexual assaults and homicides. The Applied Biosystems 310 Genetic Analyzers used by the Major Crimes Section of SSB for DNA sequencing and linking analysis, are owned by the Department. Two (2) of the instruments are approximately six years old and three (3) are approximately four years old; currently, they are all in satisfactory condition. In order to ensure that the analyzers continue to operate efficiently and effectively, they must be repaired within a reasonable time frame when problems are detected and must be maintained regularly by Contractor pursuant to the terms of the Agreement. The Contractor, who is the manufacturer of the equipment specified, and has proprietary rights to the software utilized by SSB to complete DNA sequencing and linking functions, is the only vendor that can provide the necessary maintenance services.

3.0 QUALITY CONTROL

Contractor trains its services engineers to provide the Services under this agreement. The service engineers undergo regular training updates.

4.0 QUALITY ASSURANCE PLAN

The County will evaluate Contractor's performance under this Agreement using the quality assurance procedures defined in the Agreement.

4.1 Review of Maintenance Records

Contractor shall submit to the County's Project Manager Contractor's preventative maintenance records as they occur during the Term of the Agreement. The records shall include date of inspection and maintenance, problem(s) identified and corrective action taken. The County's Project Manager will review all records to ensure that the County's requirements are being met.

4.2 Review of Remedial Repair Services

Contractor shall submit to the County's Project Manager Contractor's repair records as they occur during the Term of the Agreement. The records shall include date and time of County notification for repair, date and time of Contractor's responses to the repair calls, problem(s) identified and corrective action taken, including description of parts used. The County's Project Manager will review all such records to ensure that County's requirements are being met.

4.3 Performance Evaluation Meetings

Contractor and County shall meet at least on an annual basis, and more frequently if mutually deemed necessary by the parties.

The County Project Manager or designee will prepare written records of the meetings. Such records will include issues discussed, problems resolved, problems not resolved and pending, and possible future issues. The report must be reviewed and approved by the Contractor Project Manager. In the event that the Contractor does not concur with any part of the report, it must submit a written response to the County Project Manager within ten (10) days of receipt of the report.

5.0 CONTRACTOR'S RESPONSIBILITIES – GENERAL

- 5.1 Contractor shall provide all maintenance and remedial repair services for the 310 Genetic Analyzer instruments between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding County-recognized holidays, State and federal holidays. In addition, County will have telephonic access to Contractor technical support services between 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding County-recognized holidays, State and federal holidays.
- 5.2 Upon notification for repairs by County, Contractor and County shall make every effort to correct the problem using Contractor's technical support section. In the event that such attempt is unsuccessful, or only partially successful, Contractor shall use reasonable effort to respond to service call within 48 hours of the County contacting the Contractor to initiate such service call.
- 5.3 Contractor's employees providing services under this Agreement shall wear Contractor-provided photo-identification badges at all times while at County facilities.

6.0 EQUIPMENT MAINTENANCE PROGRAM

- 6.1 For the equipment specified in Paragraph 1.0 of this Exhibit B (Statement of Work), Contractor shall perform repairs pursuant to the Contractor's service plan set forth on Contractor's quotation as well as one (1) annual preventative maintenance service.
- 6.2 Contractor shall maintain a complete call tracking system for each instrument covered under this Agreement, which shall include at a minimum, dates and times service calls are placed, dates and times when Contractor technicians are dispatched and service completed, names of County employees who placed service calls, the make, model, serial number and complete documented service history of each equipment. Contractor shall provide County with any requested information regarding service calls/history of the equipment.
- 6.3 Contractor shall perform an annual preventative maintenance inspection as set forth on this Agreement on each instrument specified in this Agreement. The County Project Manager will contact the Contractor Project Manager to schedule the annual inspection at the beginning of the

Original Term and each Option Term.

- 6.4 Contractor shall repair equipment on-site if possible, or at any of the specified equipment from the County facility in order to complete maintenance and repairs at Contractor's facility, or at some other facility specified by Contractor. The County Project Manager must approve the removal of any County equipment from County facility for repair. Contractor shall assist County in preparing equipment for transport. Contractor shall submit to County a Service Report, to include the following information: make and model of equipment; serial number of equipment; date, description of required repairs and approximate date of return. Contractor shall notify the County Project Manager within two (2) days of removal of equipment as to when equipment will be repaired and returned to County facility. Once repaired equipment is returned to County, Contractor staff shall re-install and recalibrate it and return loaner equipment to Contractor's facility.

7.0 OTHER SERVICES

Due to the sensitivity and fragility of the genetic analyzers, Contractor shall assist County in preparing instruments for transport to new SBB facility, and shall unpack and recalibrate equipment once they are at the new site at the cost set forth on Exhibit B.

EXHIBIT C - EQUIPMENT LIST AND PRICE SCHEDULE

ITEM #	EQUIPMENT MODEL	SERIAL #	ORIGINAL TERM 2005 06	OPTIONAL TERM # 1 2006-07	OPTIONAL TERM # 2 2007-08	OPTIONAL TERM # 3 2008-09	OPTIONAL TERM # 4 2009-10	TOTAL
			\$	\$	\$	\$	\$	\$
10	310 Genetic Analyzer	100001087	6,225.00	6,536.28	6,863.04	7,206.24	7,566.48	34,397.04
20	310 Genetic Analyzer	100001037	6,225.00	6,536.28	6,863.04	7,206.24	7,566.48	34,397.04
30	310 Genetic Analyzer	310000840	6,225.00	6,536.28	6,863.04	7,206.24	7,566.48	34,397.04
40	310 Genetic Analyzer	310000841	6,225.00	6,536.28	6,863.04	7,206.24	7,566.48	34,397.04
50	310 Genetic Analyzer	310000843	6,225.00	6,536.28	6,863.04	7,206.24	7,566.48	34,397.04
	7000 Sequence							
60	Detection System	270003327	4,782.00	5,021.04	5,272.20	5,535.72	5,812.56	26,423.52
	7000 Sequence							
70	Detection System	270003539	3,851.64	5,021.04	5,272.20	5,535.72	5,812.56	25,493.16
			39,758.64	42,723.48	44,859.60	47,102.64	49,457.52	223,901.88

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Applera Corporation, through its Applied Biosystems Group

CONTRACTOR NAME

Contract No. _____

Employee Name _____

Stacy Nash

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer _____

Applera Corporation, through its Applied Biosystems Group

EXHIBIT D-1
Page 2 of 2

Contractor Name _____ Contract No. _____

Employee Name Stacy Nersh

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: 09, 28, 05

PRINTED NAME: _____

POSITION: _____

Stacy Nersh
Contract Specialist

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT
AND CONFIDENTIALITY AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Applica Corporation, through its

CONTRACTOR NAME

Contract No. _____

Non-Employee Name _____

Stacy Hersh

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer _____

SH

Contractor Name _____ Contract No. _____

Non-Employee Name Stacy Hersh

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

I acknowledge that violation of this agreement may subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: Stacy Hersh DATE: 09, 28, 05

PRINTED NAME: Stacy Hersh

POSITION: Contracts Specialist

EXHIBIT E

PROPOSER'S EEO CERTIFICATION

Applera Corporation, through its Applied Biosystems Group
Company Name

850 Lincoln Centre Drive, Foster City, CA 94404
Address

FEIN# 06-1534213
Internal Revenue Service Employer Identification Number

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Proposer certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Proposer has written policy statement prohibiting discrimination in all phases of employment.	(X)	()
2. Proposer periodically conducts a self-analysis or utilization analysis of its work force.	(X)	()
3. Proposer has a system for determining if its employment practices are discriminatory against protected groups.	(X)	()
4. When problem areas are identified in employment practices, Proposer has a system for taking reasonable corrective action to include establishment of goal and/or timetables.	(X)	()

Stacy Bersh
Signature

9/28/05
Date

Stacy Bersh, Contract Specialist
Name and Title of Signer (please print)